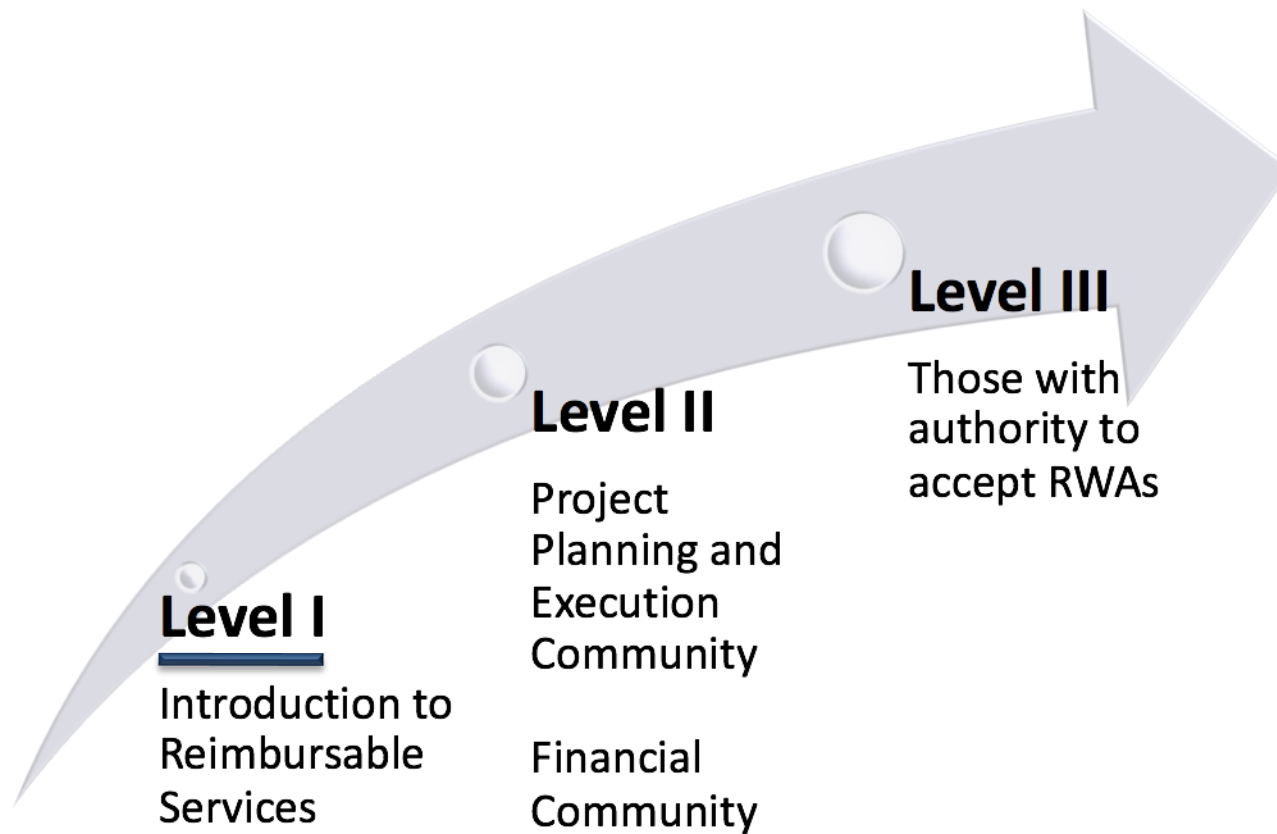


Reimbursable Work Authorization (RWA) Training

Level I Introduction to Reimbursable Services

Training Continuum



Course Goals

- To ensure a consistent understanding of the RWA process by GSA and its customers.
- To define the RWA program, and its processes, by introducing the:
 - Reimbursable Services Division
 - RWA Basics
 - RWA Types
 - Laws Governing RWAs
 - RWA Lifecycle
 - RWA Customer Letters

Reimbursable Services Division

- The Reimbursable Services Division's purpose is to provide GSA PBS customers (internal and external) with an institutionalized RWA management process from receipt of RWA to close-out
- The National RWA Program is a \$4.4 Billion Business Traditionally
 - \$2.9 Billion in UFCO (FY09 Year-end Balance)
 - \$1.5 Billion in 12,000 RWAs accepted annually
- \$1 Billion in Recovery Act RWAs Anticipated

RWA Basics—What Is an RWA?

- An RWA is an agreement between GSA and a customer whereby GSA agrees to provide materials and/or services, and the customer agrees to reimburse GSA's costs.
- RWAs capture and bill the costs of altering, renovating, repairing, or providing services, in GSA-managed space, over and above the basic operations financed through rent.
- The RWA identifies the specific needs of the customer and establishes financial agreement.
- Provides written documentation of a formal agreement (GSA Form 2957).

RWA Basics— When to Use an RWA

- For Recurring Services
 - When above-standard service costs **cannot** be readily identified or separated from standard operating costs
 - Overtime (OT) Utilities where service is not separately metered and/or billed
 - One fiscal year limit

RWA Basics—

When to Use an RWA (cont.)

- For Non-recurring Services
 - When above-standard service costs can be specifically identified and separated
 - Alterations
 - Consulting or Estimating
 - Agency appropriations dictate fiscal year limitations and if legally available for the purpose

RWA Types

GSA assigns the RWA type based on the service to be rendered

•R Type

- Example: Overtime utilities
- Recurring
- Charged over duration of service
- Closed at end of fiscal year

•C Type

- Example: Overtime utilities for private retail tenant space on first floor of Federal building
- Recurring
- Non-Federal customer
- Must be pre-paid

RWA Types (cont'd)

- **A Type**

- Example: construction and/or design services
- Non-recurring, one time need
- Non-prospectus repair and alteration when associated with Federally owned property
- Part of split-funded project (GSA and customer)

- **N Type**

- Example: space changes in owned or leased space
- Non-recurring, one time need
- Non-prospectus repair and alteration
- Typically used by a GSA field office/location
- Standalone project (fully funded by customer)

RWA Types (cont'd)

- **B Type**

- Example: tenant-funded work associated with prospectus project
- Non-recurring, one time need
- RWA is associated with any prospectus project (leased or owned), regardless of the RWA amount

- **F Type**

- Example: changing key locks
- Non-recurring
- Small, miscellaneous items
- Both customer and GSA must obligate before the end of the FY
- Good for maximum of 1 fiscal year
- Purchase limits apply (\$25,000 per single order)
- Maximum authorized amount (\$250,000)

RWA Types (cont'd)

- **E Type**
 - Example: move associated with declared disaster
 - Non-recurring
 - FEMA mission assignments
- **D Type**
 - Example: build-out of, or events in, Federal space
 - Non-recurring
 - Non-Federal customer
 - Must be pre-paid
- Contact Reimbursable Services Regional Core Team Member with questions regarding RWA Type

Federal Agencies Must Follow Appropriations Laws

- 31 U.S.C. §1501(a): Purpose of Appropriation
 - Agencies have authority to spend funding for certain purposes and must have documentary evidence to support this
- 31 U.S.C. §1502: Bona Fide Need
 - Funds are available only for expenses properly incurred during period of availability

Federal Agencies Must Follow Appropriations Laws

- 31 U.S.C. §1341: Anti-deficiency Act
 - Officials may not authorize expenditures exceeding amount available in a fund for the obligation
- 31 U.S.C. §1552(a): Period of Availability
 - On Sept. 30 of 5th fiscal year after period of availability, account shall be closed and any remaining balance (whether obligated or unobligated) shall be canceled

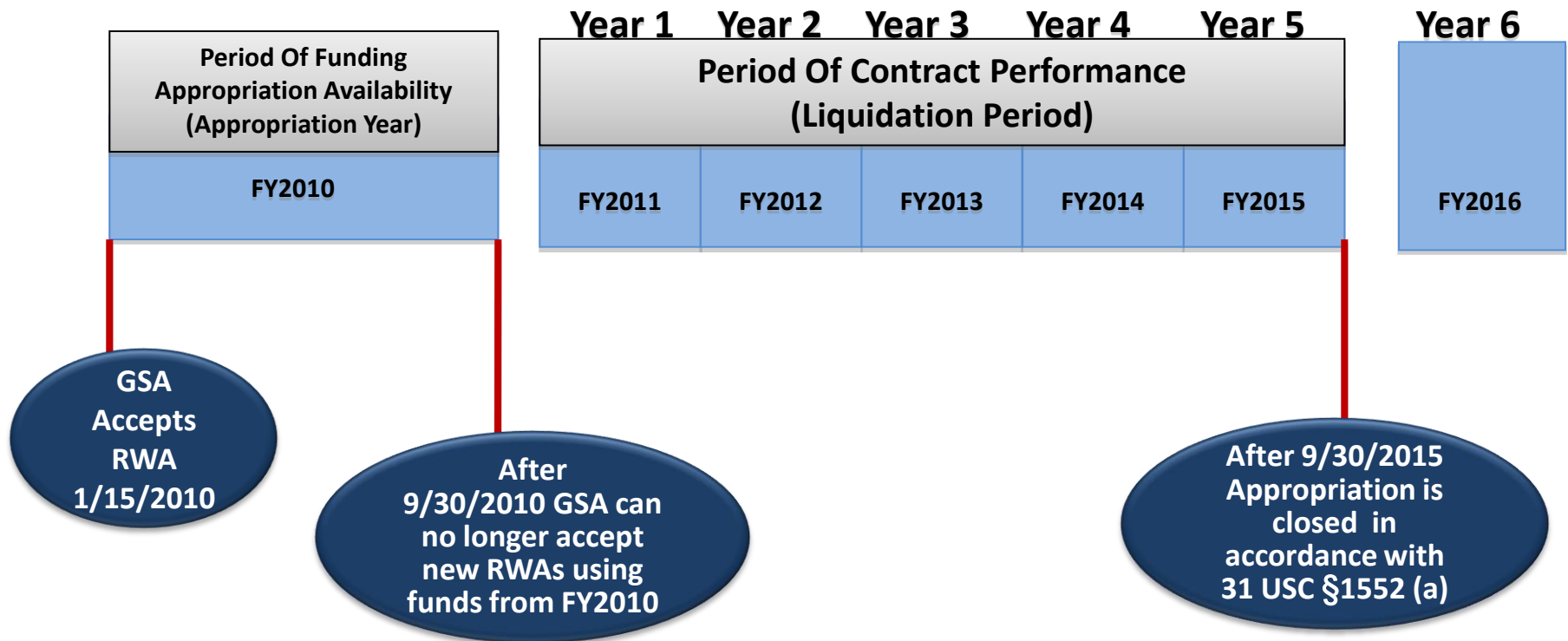
Annual, Multi-year, and No-year Appropriations

- **Annual**—Funds are available for obligation during one specific fiscal year
 - Customer may obligate funds to an RWA, and may amend an RWA, but must do so before the expiration date of obligational authority
- **Multi-year**—Funds are available for a definite period in excess of one fiscal year
 - Congress generally gives agencies multi-year appropriations for a specific purpose

Annual, Multi-year, and No-year Appropriations (cont.)

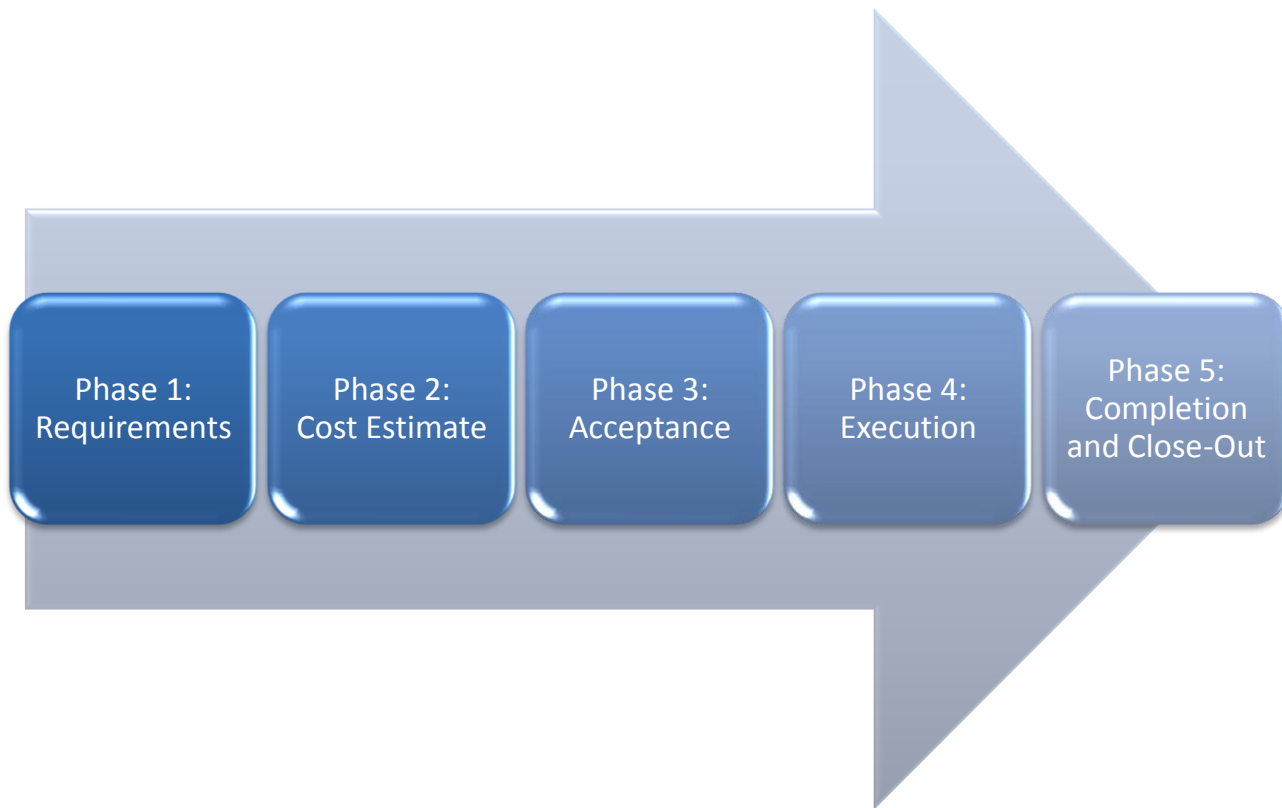
- **No-year**—Funds are not bound by fiscal year limitations, and the customer agency may obligate and make scope changes at any time
 - Congress gives agencies no-year appropriations for a specific purpose
 - GSA should obtain verification of purpose when given an RWA with no-year funds

Annual Appropriation Example



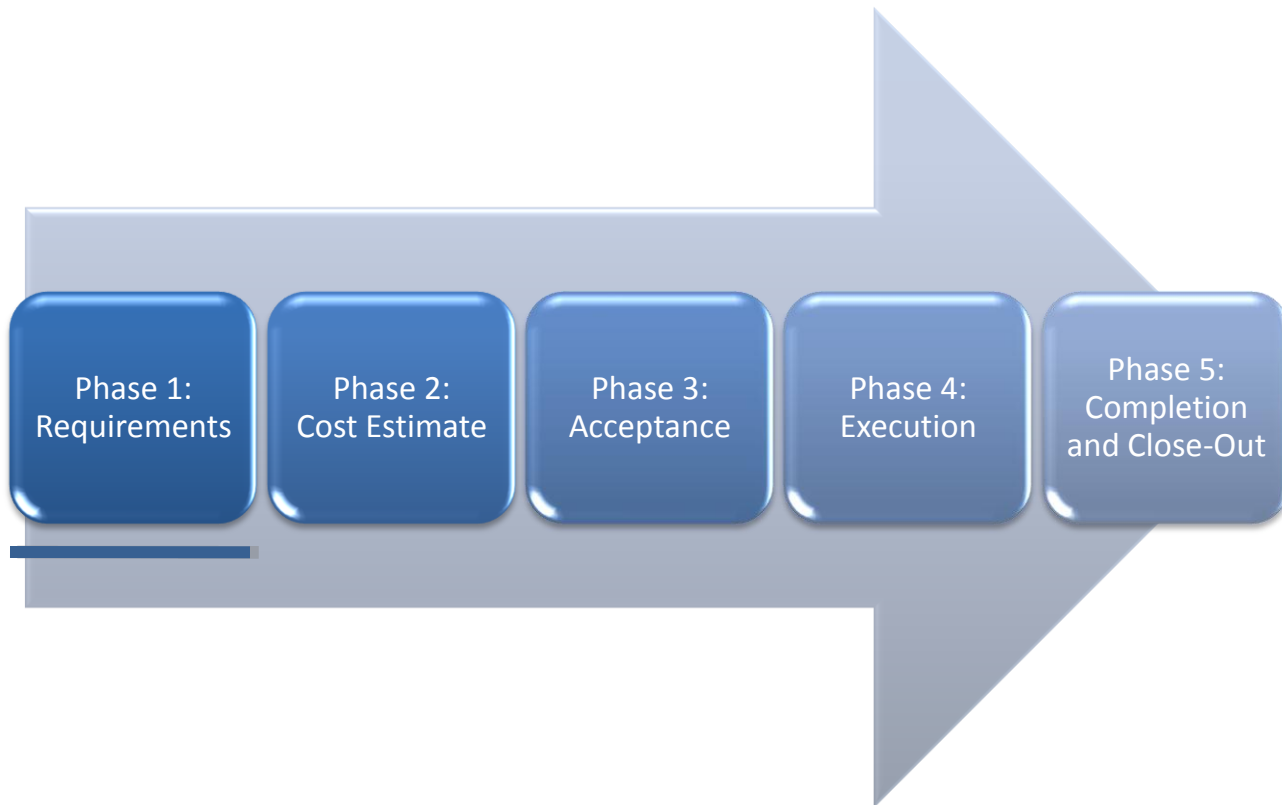
RWA Lifecycle

Standardized RWA process that is consistent, scalable, and repeatable.





Phase 1: Requirements



Identify Customer Need

- Customers submit their initial RWA requests via email attachment (preferred), mail, fax, or by physically delivering the request to a GSA associate
- GSA verifies bona fide need of the request
- GSA conducts requirement development meetings with the customer (if necessary) to create the scope of work
- If GSA receives an unsolicited RWA Form 2957 at any time during this process, GSA official must send receipt letter to customer

Bona Fide Need Verification

- Refers to timing of availability of appropriation authority
- Every RWA must be assessed for bona fide need when received
- Funds can only be obligated for a need arising in the current fiscal year

Bona Fide Need Verification (cont.)

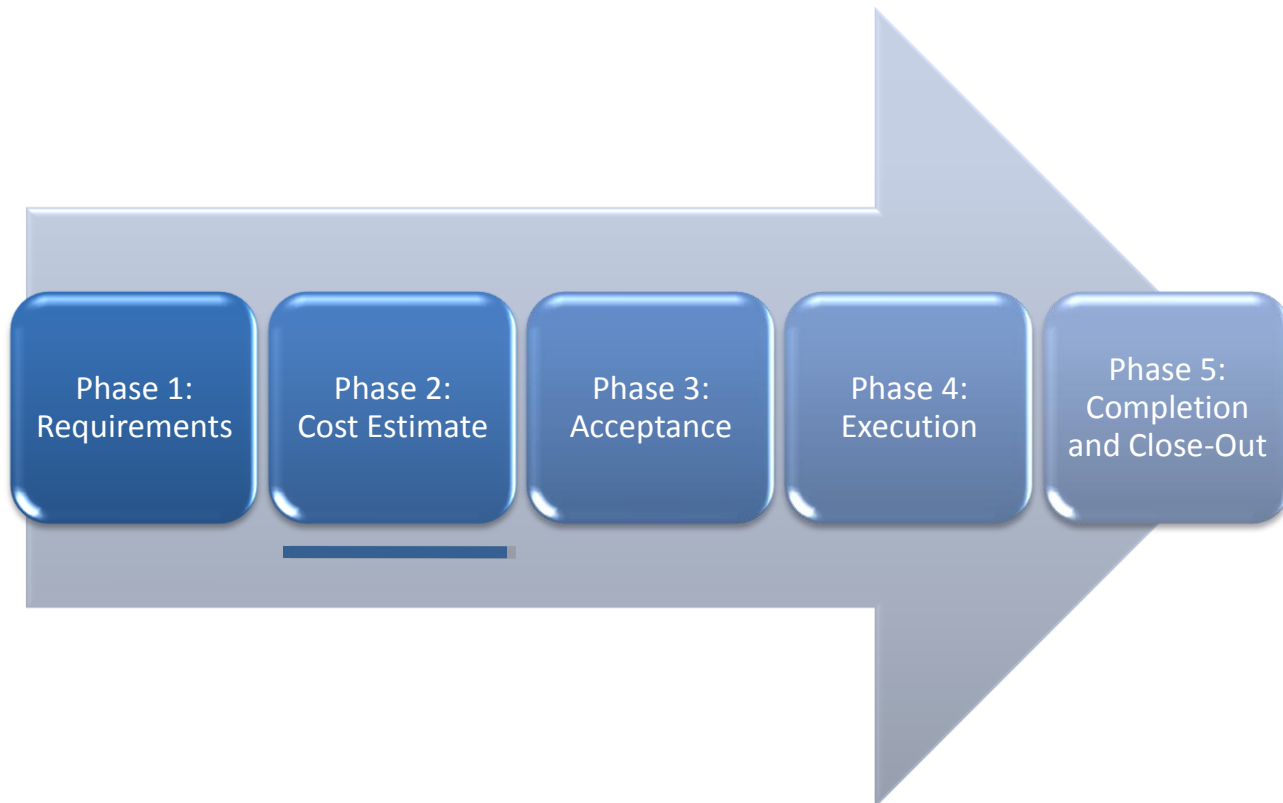
- Discourages acceptance of RWA if information is lacking to such a degree that it is not feasible to award or modify a contract within a reasonable timeframe
- Duration is established when GSA and customer agree to and document procurement schedules

Scope of Work

- The location, type of work, and description of work are understood, and identified in 2957
- A fully defined scope of work must be written so that:
 - A supporting cost estimate can be developed
 - Any remaining balance cannot be used for unrelated projects outside of the original scope of work
- Outcome of Requirements Phase: Agreement on Scope of Work



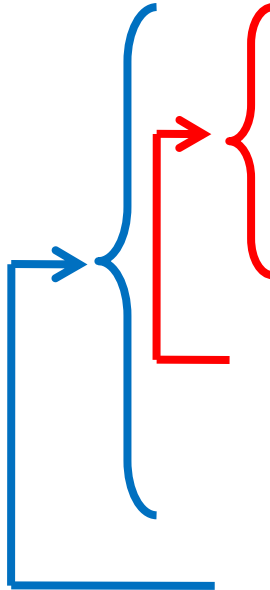
Phase 2: Cost Estimate



Estimating Cost

- Scope of work and estimate are basis for binding agreement, resulting in obligation of funds by customer
- Estimate may come from customer, lessor, or GSA

Common Estimate Components



Construction Costs & Contingencies
+ Architecture/Engineering (A/E) Costs
+ Construction Management (CM) Costs
+ 4% Project Management (PM) Fee
+ Personal Property Costs
+ RWA Overhead Fee (sliding scale)
= Authorized Amount of RWA

4% Fee: What does it cover?

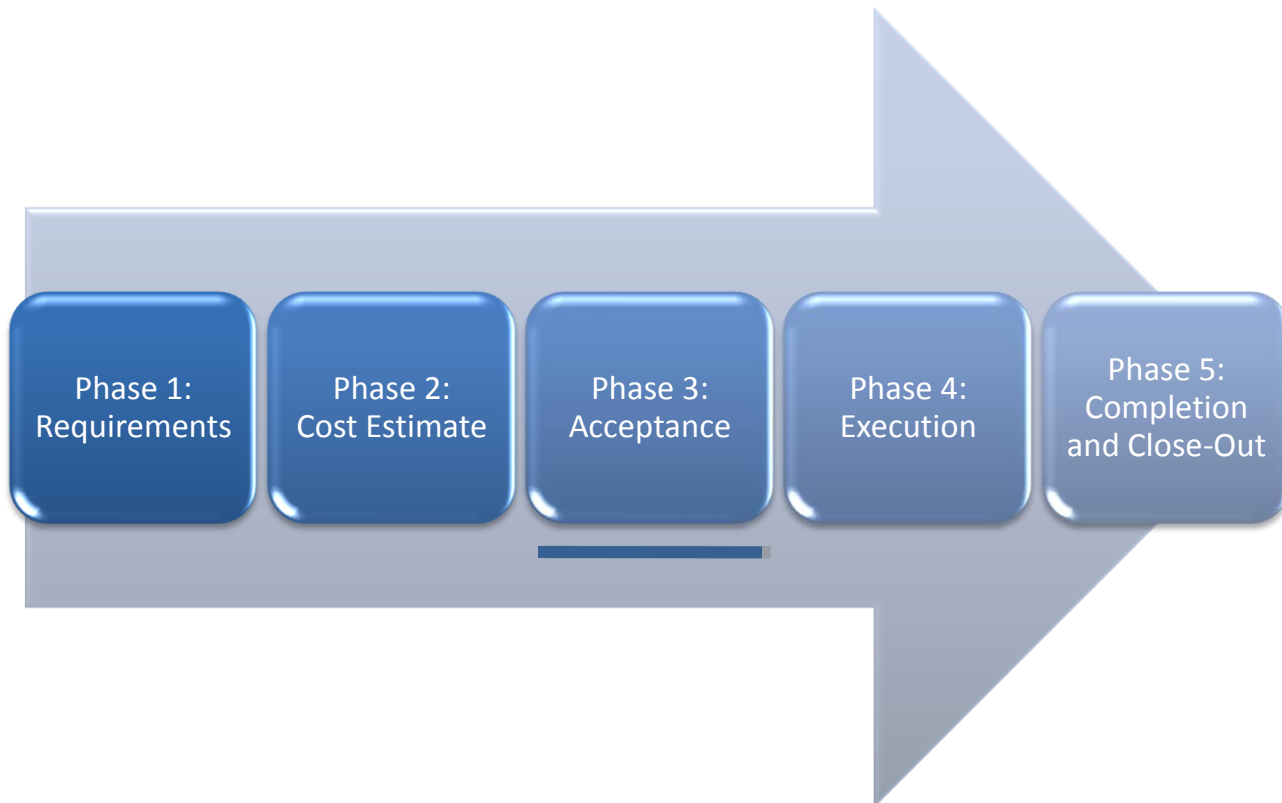
- The 4% fee covers regional oversight of delivering RWA projects
- Examples include:
 - Budget Analysts' time entering RWAs into GSA System
 - GSA Project Managers coordinating efforts with various contractors
 - Contracting Officers' time for awarding and administering contracts related to construction activities

Overhead Fee

- Sliding Scale Overhead (OH) Fee
 - Recoup general and administrative overhead costs associated with **non-recurring** RWAs
 - Considered overhead recovery for Central Office
 - Calculated based on estimated cost of the RWA plus 4% Project Management Fee
 - Uses multiple rates for RWA amount ranges and is capped at \$30,000
- Flat Overhead Fee of \$100
 - Recoups limited administrative costs associated with **recurring** RWAs
 - Considered overhead recovery for Central Office



Phase 3: Acceptance



Acknowledgement of Receipt

- If the RWA form was not received earlier in the process, then a receipt letter will need to be sent to the customer.
- Acknowledgement by GSA of physical possession of RWA Form 2957
 - Review for completeness
 - Further clarifying discussions may be necessary
 - Confirm that the project manager has been identified

Acceptance Criteria

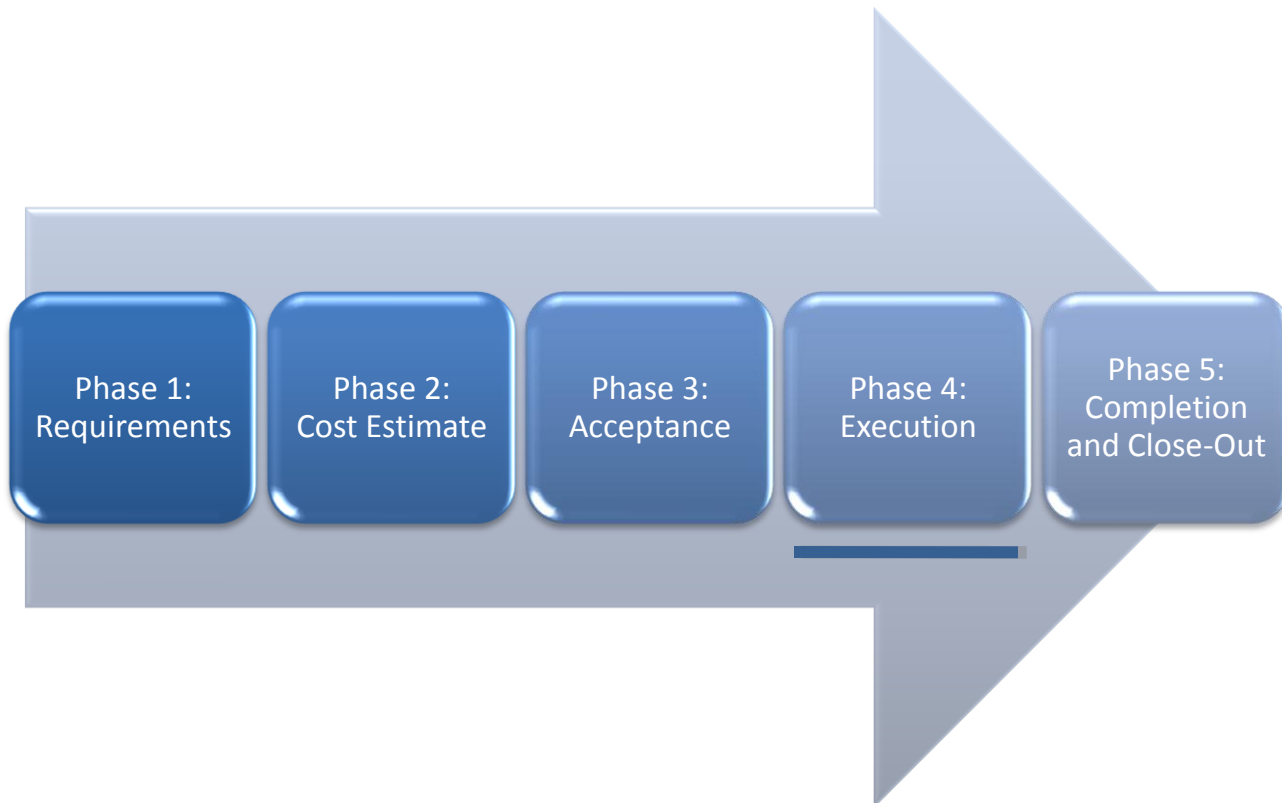
- Customer agency completes and signs Blocks 1-17 of 2957
 - Description of services
 - Amount of approved funds and accounting information
- RWAs are not automatically accepted; they must meet important criteria, such as:
 - Bona fide need
 - Fully defined scope of work
 - Cost estimate
 - Proper funding
 - Required customer signature

Acceptance

- GSA agrees to provide requested services by signing the RWA Form 2957 and entering it into the RWA Entry and Tracking Application (RETA)
- “Acceptance of RWA” Letter sent to customer
 - Customer establishes obligation
- Outcome of Acceptance Phase: Form 2957 signed by both GSA and Customer Agency



Phase 4: Execution



Monitoring

- Contracts established and work/service commences
 - Amendments to RWA must meet three requirements
 - Bona Fide need exists
 - Funds are legally available for new purpose(s)
 - The Appropriation has not lapsed
 - RWA work must be accomplished in a timely manner
 - If no financial activity after 90 days, GSA may send a follow-up letter to customer agency if necessary

Clarification of Obligation and Liquidation

- Customer agency obligates funds to GSA in its financial system upon receiving Acceptance Letter.
- GSA obligates funding to vendors as contracts are signed. GSA liquidates obligations as vendors deliver goods and/or services.
- GSA bills the customer for services rendered. Customer liquidates obligation as payments are made to GSA.



Phase 5: Completion and Close-Out



Completion

- Actual work is substantially complete
 - Beneficial occupancy (space can be utilized by customer)
 - Punch list items may exist
- GSA sends Completion Letter to customer
- Customer should **not** deobligate funds at this point

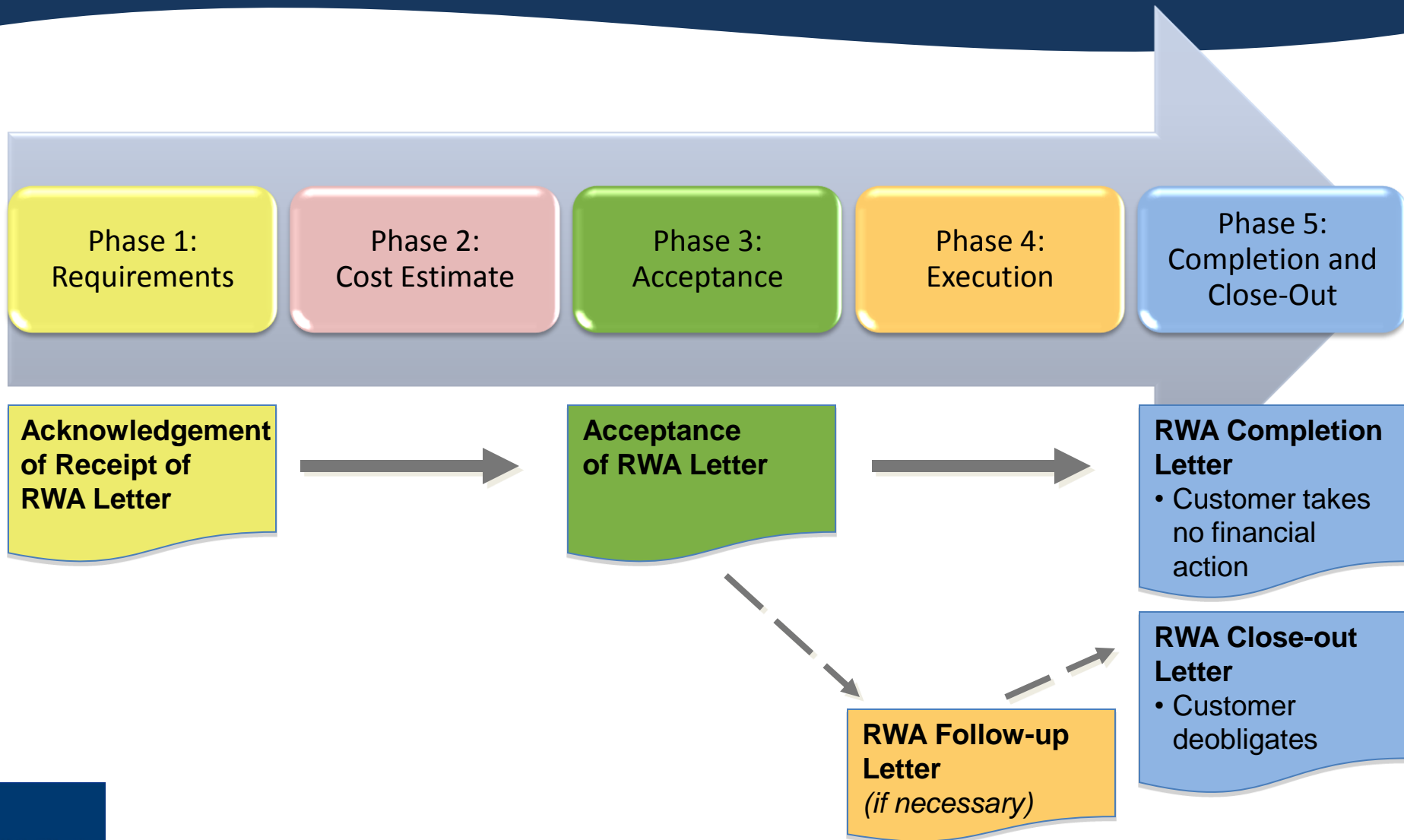
Close-Out

- Most projects are closed out within 60 days after substantial completion
- All costs have been billed and all invoices have been paid
- GSA and customer settle final bills

Close-Out (cont.)

- GSA sends Close-Out Letter to customer signifying that all punch list items are complete and all costs have been billed
- Upon receiving Close-Out Letter, customer should deobligate any remaining funds
- Outcome of Completion and Close-Out Phase: RWA closed in a timely manner

RWA Customer Letters Recap



A stylized graphic of the American flag, featuring stars and stripes, positioned in the top right corner of the slide.

Resources

Review: New Billing Statement

Top portion



GENERAL SERVICES ADMINISTRATION PUBLIC
BUILDINGS SERVICE (PBS)
REIMBURSABLE WORK AUTHORIZATION (RWA)
SAMPLE Detail Billing Statement



<u>Bill Date</u> 06/25/07	<u>Statement Number</u> T0714567662	<u>Bill Sequence Number</u> 2	<u>Office Billed ALC</u> GOVT AGENCY ABC 1234 STREET NW WASHINGTON, DC 20522	<u>GSA Contact</u> FW-BILLING.FINANCE@GSA.GOV	<u>RWA#</u> A1234546				
<u>Treasury Acct. Symbol</u> abcdefgh	<u>Agency Bureau</u> 1234	<u>BOAC</u> 123456A	<u>ALC</u> 123456A	<u>Client Telephone No.</u> (202) 555-5555	<u>Fund Year</u> 01-JAN-07	<u>Fund Type</u> No Year	<u>BPN/DUNS</u> 123456789	<u>Order No.</u> 1069 7Z3219	<u>1069 7Z3219</u>

New Fields

Mailing Office Address
GOVT AGENCY NAME (SA-44)
1234 STREET NW
P.O. BOX 123456
WASHINGTON, DC 20405

Description of Work
Increase funds

Agency Accounting Data*
19XD113H 0000 7Z3200 000000 0000 0000

Fiscal Station Number

*NOTE: Agency accounting data represents data from the last RWA submission to GSA

Revised Field

Will display data from last RWA submission in GSA

Review: New Billing Statement

Middle portion

Billing Summary

Previous Billed Amount	\$22,184.01
Chargeback/Adjustment Amount	\$0.00
Adjusted Previous Bill Amount	\$22,184.01
Previous Collected Amount	\$22,184.01
Amount Due from Previous Bill	\$0.00
Current Billing Period Amount	\$30,945.16
Total Amount Due	\$30,945.16

Cumulative Billing Amount	<u>\$53,129.17</u>
---------------------------	--------------------

RWA Summary

Authorized Amount	\$660,000.00
Cumulative Billed Amount	<u>\$53,129.17</u>
Balance	<u>\$606,870.83</u>

GSA Remittance Address

GSA
PO Box 894201
Los Angeles, CA 90189-4201

OR

IPAC Remittance

A/C 47888847

GSA Treasury Acct Sym

47X4542.001

GSA BPN/DUNS

130944726

Cumulative Billed Financial Summary

<u>Category</u>	<u>Amount</u>
DESIGN	\$0.00
LABOR	\$0.00
MATERIALS	\$0.00
OTHER	\$51,719.45
PROJECT MANAGEMENT	\$0.00
PBS FEE	<u>\$1,409.72</u>
TOTAL AMOUNT	<u>\$53,129.17</u>

New Field

- Snapshot of billing history and current activity
- Balance of RWA

New Field

New field with
breakdown of
expenses incurred by
category

Review: New Billing Statement

Bottom portion

Current Billing Period Financial Activity				For GSA Information Only	
Work Location: DC0046ZZ - 2201 C ST NW WASHINGTON 20520					
Category	Amount	Vendor Name	Function	PDN	TITLE #
OTHER	\$30,254.45	KARN CHARUHAS CHAPMAN & TWOHEY PC	PRIMARY CONTRACTS	RW200705230002	
PBS FEE	\$690.71	GSA-PBS		QL200706220004221	A0050050
SUBTOTAL	\$30,945.16				
TOTAL	\$30,945.16				

- Details costs incurred during billing period
- Allows customer to see what they are paying for
 - Broken down by work site
- Provides reference data for GSA use in addressing customer questions

Web Resources: Internal

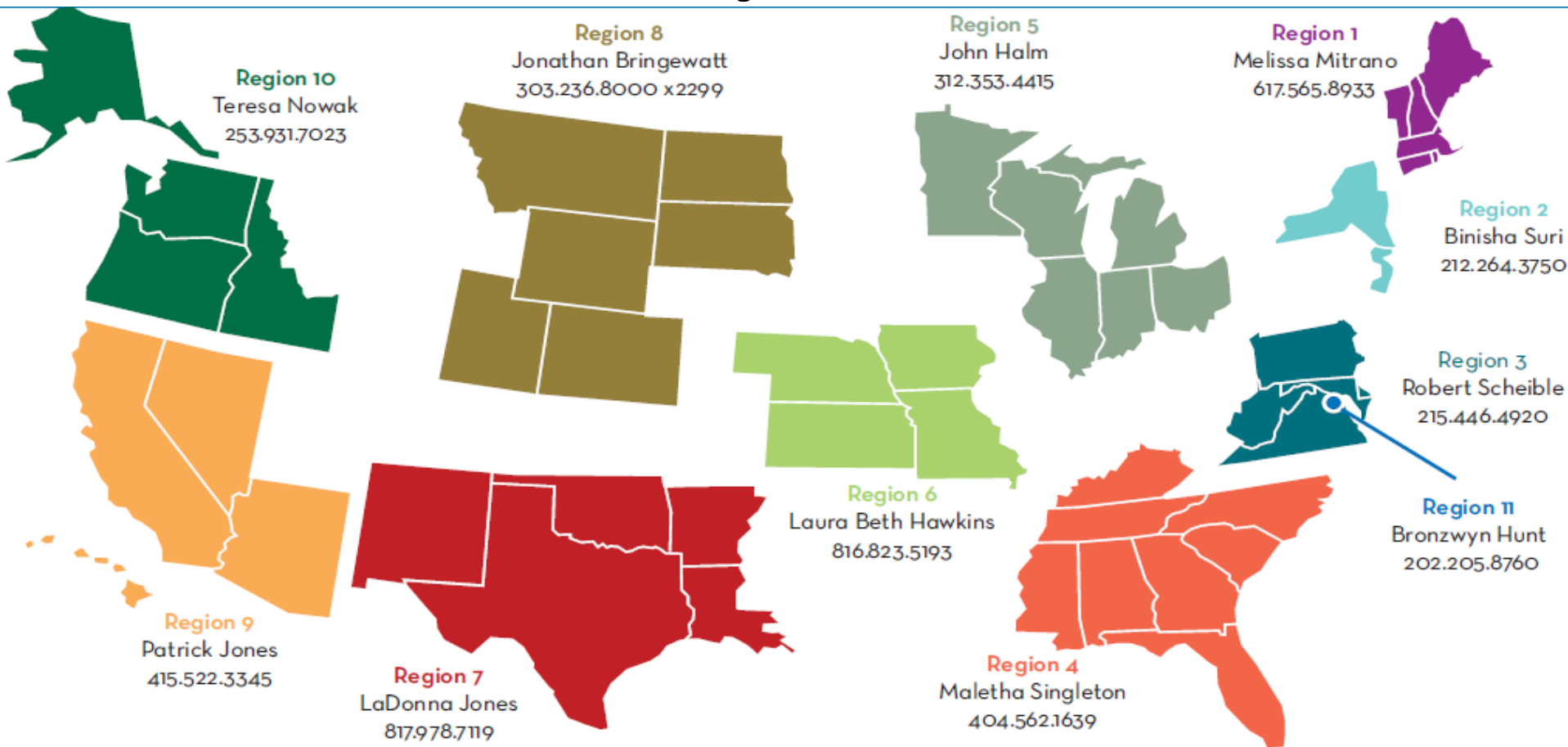
- Reimbursable Services homepage can be found at: PBS Insite > Office of Facilities Management and Services Programs > Office of Tenant Services > Reimbursable Services Division
- Access to RWA-related applications can be found in the PBS Portal at: <http://pbsportal.pbs.gsa.gov>
 - RWA Entry and Tracking Application (RETA): Serves as the national PBS repository for all RWA data, electronic documentation tool, and portal for RWA customer communications
 - Information Logistics Reporting (ILR): Provides RWA detailed and summary reports

Web Resources: Customer Facing

- **Reimbursable Services Division:** Find a multitude of information regarding reimbursable work authorizations including policies and guidance at <http://www.gsa.gov/rwa>
- **RWA Search:** Search for reimbursable work authorizations and view the actual documents at <https://www.finance.gsa.gov/PBSRWA/>
- **Bill View:** View statements and invoices generated by GSA billings at <http://www.finance.gsa.gov/billview/>

Reimbursable Services Regional Core Team Map

August 2010



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